

FISCAL MEMORANDUM

HB 2657 – SB 3075

April 4, 2008

SUMMARY OF AMENDMENT (015224): Deletes the language of the original bill. Authorizes the legislative bodies of Green, Anderson, Rutherford, and Cocke counties to increase the litigation tax to \$25. In Green, Anderson, and Rutherford counties the funds are to be used for courthouse security.

FISCAL IMPACT OF ORIGINAL BILL:

Increase Local Revenue - \$109,800/Permissive/FY08-09
\$219,600/Permissive/FY09-10 and Succeeding Years

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase Local Revenue - \$558,200/Permissive/FY08-09
\$1,116,400/Permissive/FY09-10 and Succeeding Years

Assumptions applied to amendment:

- Green County estimates that the tax increase will increase local government revenue by \$426,500. The fee will be collected in 75 percent of cases filed ($37,911 \text{ cases} \times \$15 \times 0.75 = \$426,498$).
- Anderson County estimates that the tax increase will increase local government revenue by \$219,600. The fee will be collected in 75 percent of cases filed ($19,519 \text{ cases} \times \$15 \times 0.75 = \$219,589$).
- Rutherford County estimates that the tax increase will increase local government revenue by \$454,800 ($40,429 \text{ cases filed} \times \$15 \times 0.75 = \$454,826$).
- Cocke County estimates that the tax increase will increase local government revenue by \$15,500 ($1,380 \text{ cases filed} \times \$15 \times 0.75 = \$15,525$).
- These numbers reflect that 25 percent will be unable to pay due to indigency.
- Due to case disposition time lag, only 50 percent of taxes will be collected in the first year.
- The increase in local government revenue for all four counties is estimated to be \$1,116,400 ($\$426,500 + \$219,600 + \$454,800 + \$15,500 = \$1,116,400$).

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director

/kmc